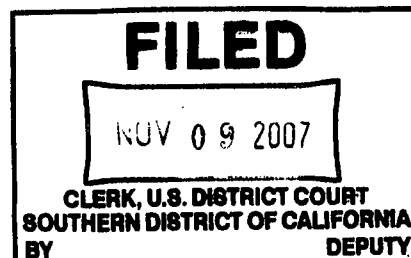


ORIGINAL



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

'07 CR 2918H

UNITED STATES OF AMERICA,

Plaintiff,

v.

ALEJANDRO LOPEZ (1)
EMILIO LOPEZ (2)
RAVINDERJIT SINGH SEKHON (3)
LINDA VELASQUEZ (4),

Defendants.

Criminal Case No.

I N F O R M A T I O N

Title 18, U.S.C. Sec. 371 -
Conspiracy to Commit Wire Fraud;
Title 18, U.S.C. Sec. 981
(A)(1)(C) and Title 28, U.S.C.
Sec. 2461(c) - Forfeiture

The United States Attorney charges:

INTRODUCTORY ALLEGATIONS

At all times relevant to this Information:

1. Defendant Alejandro Lopez (Defendant A. Lopez) and his brother, Defendant Emilio Lopez (Defendant E. Lopez), headed, managed, and supervised the "Lopez Team," which consisted of, among

1 others, real estate agents and loan officers who conducted real
2 estate and loan broker activities, including Defendants Ravinderjit
3 Singh Sekhon (Defendant Sekhon) and Defendant Linda Velasquez
4 (Defendant Velasquez). From in or about November 2002 until in or
5 about November 2004, the Lopez Team worked at the Century 21 Homes
6 First office, located at 904 West San Marcos Boulevard, San Marcos,
7 California. After in or about November 2004, the Lopez Team worked
8 at the Century 21 ElDorado office (ElDorado), located at 295 South
9 Rancho Santa Fe Road, San Marcos, California. The co-owners of
10 ElDorado were Defendant A. Lopez, Defendant E. Lopez, and the two
11 principals of Century 21 Homes First.

12 2. In addition to acting as real estate agents, the Lopez Team
13 originated and brokered mortgage loans for its clients, obtaining
14 funding from several sub-prime mortgage lenders. The sub-prime
15 lenders offered "stated income" or "no income verification" loans at
16 higher interest rates than conventional loans.

17 3. Defendant A. Lopez, a California-licensed real estate
18 broker, was the Sales Manager of ElDorado and supervised the day-to-
19 day operations of the Lopez Team. He was the Chief Financial Officer
20 and designated licensed officer of Applied Investments, Inc. and was
21 the President and designated licensed officer of National Award
22 Funding, Inc. The Lopez Team received commissions for its real estate
23 and loan broker activities through payments to Applied Investments,
24 Inc. and National Award Funding, Inc.

25 4. Defendant E. Lopez, a California-licensed real estate
26 salesman, directed the Lopez Team's marketing efforts and assisted
27 in the supervision of its operations. Defendant E. Lopez was the
28 President of Applied Investments, Inc.

5. Defendant A. Lopez and Defendant E. Lopez hired Defendant Sekhon, who was Defendant A. Lopez's brother-in-law, as a loan officer. Defendant Sekhon helped complete loan applications and assembled loan documentation for Lopez Team clients who sought from the sub-prime lenders financing for home purchases and loan refinances.

6. Defendant A. Lopez and Defendant E. Lopez hired Defendant Velasquez. Defendant Velasquez scheduled appointments, met with Lopez Team clients, discussed with clients their payment options and the use of straw buyers (i.e., third parties to fraudulently act as home buyers and borrowers), and acted as a Spanish language translator for Defendant Sekhon. Defendant Velasquez entered into a database the clients' personal and financial information which Defendant Velasquez and other Lopez Team members obtained verbally and from information forms they had the clients complete.

7. The Lopez Team could access the password-protected database on the Lopez Team website, which resided on a computer server in Florida. The Lopez Team, including Defendant A. Lopez and Defendant Velasquez, used the database to monitor the status of its clients' real estate and loan transactions. Defendant Velasquez often printed client information from the database and provided it to Lopez Team loan officers so they could initiate loans. When Lopez Team members accessed the database from California, they transmitted interstate wire communications.

COUNT 1

[TITLE 18 U.S.C. 371 - CONSPIRACY]

8. Beginning in or about December 2003, and continuing to on or about June 9, 2005, in the Southern District of California, and

1 elsewhere, Defendants Alejandro Lopez, Emilio Lopez, Ravinderjit
2 Singh Sekhon, and Linda Velasquez, did knowingly conspire with each
3 other and others known and unknown to commit wire fraud, by knowingly
4 devising and intending to devise and carrying out a material scheme
5 and artifice to defraud and to obtain money and property by means of
6 materially false and fraudulent pretenses, representations, and
7 promises and the intentional concealment and omission of material
8 facts, and for the purpose of executing this fraudulent scheme, did
9 knowingly use and cause to be used writings, signs, signals, and
10 sounds to be transmitted by wire in interstate commerce; in violation
11 of Title 18, United States Code, Section 1343.

12 Manners and Means

13 9. To further the conspiracy and effect the objects thereof,
14 the Defendants utilized the following manner and means, among others:

15 a. attended events, including swap meets, and advertized
16 in Spanish language newspapers and publications and on Spanish
17 language radio stations to induce low income individuals from
18 Hispanic communities to utilize the Lopez Team's fraudulent real
19 estate and loan broker services.

20 b. fraudulently induced financially unqualified clients
21 to disclose personal and financial information knowing that the Lopez
22 Team would later alter the information on loan applications and other
23 documents to meet the lenders' loan requirements.

24 c. entered personal and financial data provided by the
25 clients into the Lopez Team database knowing that the Lopez Team
26 would later fraudulently alter the information on loan applications
27 and other documents to meet lenders' loan requirements.

28

1 d. fraudulently submitted to lenders loan applications
2 that contained inflated incomes for clients and documents that
3 falsely verified the inflated incomes.

4 e. fraudulently submitted to lenders loan applications
5 that contained false employment information which the Lopez Team and
6 others falsely verified in writing and by impersonating employers.

7 f. fraudulently purchased from tax preparers, and
8 submitted to lenders, letters that misrepresented that the clients
9 were business owners and that the tax preparers had prepared the
10 clients' tax returns (CPA letters).

11 g. fraudulently submitted to lenders loan applications
12 that contained inflated bank account balances which the Lopez Team
13 falsely verified with fictitious verifications of deposits.

14 h. fraudulently caused banks to generate false
15 verifications of deposits by depositing Lopez Team members' own
16 personal funds into client bank accounts.

17 i. fraudulently altered and submitted to lenders bank
18 statements that were not for the clients' bank accounts, including
19 bank statements belonging to Defendant Sekhon, Defendant Sekhon's
20 wife, and Defendant Velasquez.

21 j. fraudulently submitted to lenders loan applications
22 and other documents, including false verifications of rent, which
23 contained inflated rent amounts, false rent payment histories, and
24 false lengths of residency for clients.

25 k. fraudulently listed or caused to be listed on
26 documents submitted to, or accessed by lenders, the
27 contact information for Lopez Team members and others, including
28 Defendant Sekhon, Defendant Sekhon's wife, and Defendant Velasquez,

1 as the clients' landlords to falsely verify fictitious rental
2 information.

3 1. fraudulently used third parties with higher credit
4 scores as straw buyers to purchase homes and obtain loans for
5 financially unqualified clients knowing that the third parties would
6 not occupy the homes and that the loan applications would
7 misrepresent that the homes would be "owner-occupied."

8 m. fraudulently prepared and submitted to lenders
9 fictitious letters (purportedly from creditors), and caused credit
10 agencies to make false entries to clients' credit reports, which
11 falsely bolstered the clients' credit and falsely listed the
12 telephone numbers of Lopez Team members and others, including
13 Defendant Sekhon, Defendant Sekhon's wife, and Defendant Velasquez,
14 as contacts for the creditors.

15 n. fraudulently submitted to lenders loan applications
16 that falsely represented that clients were United States citizens.

17 o. fraudulently submitted to lenders copies of false
18 social security cards which the Lopez Team altered to eliminate the
19 work restriction language.

20 p. fraudulently obtained \$1,070,000.00 in loan
21 commissions from the conspiracy.

22 OVERT ACTS

23 10. In furtherance of the conspiracy and to effect and
24 accomplish the objects thereof, the following overt acts, among
25 others, were committed within the Southern District of California,
26 and elsewhere:

27 a. Between in or about February 2004 and November 2004,
28 Defendant A. Lopez temporarily deposited his own money into clients'

1 bank accounts so that banks would issue fraudulent verifications of
2 deposits.

3 b. On or about July 30, 2004, Defendant Velasquez signed
4 a false name, falsely claimed to be a property manager, and provided
5 her cellular telephone number as a contact number on a fictitious
6 verification of rent form.

7 c. In or before August 2004, Defendant E. Lopez met with
8 tax preparer A.R. and arranged for A.R. to prepare false CPA letters.

9 d. On or about August 31, 2004, Defendant E. Lopez
10 temporarily deposited \$18,000 of his own money into a bank account
11 to increase a client's bank account balance so that the client could
12 meet a lender's cash requirements.

13 e. In or about November 2004, Defendant Sekhon altered
14 bank statements belonging to his wife and included them in a client's
15 loan file to qualify the client for a loan.

16 f. On or about December 6, 2004, Defendant Sekhon
17 temporarily deposited \$23,000 of his own money into a client's bank
18 account causing a bank to generate a false verification of deposit.

19 g. In or about February 2005, Defendant A. Lopez
20 requested Defendant Velasquez to provide copies of her bank
21 statements so that the Lopez Team could alter and use them for a
22 client's loan file.

23 h. In or about February 2005, at Defendant A. Lopez's
24 direction, Defendant Velasquez provided Defendant Sekhon with a copy
25 of her bank statements so that Defendant Sekhon could use them in a
26 client's loan file.

1 i. On or about May 4, 2005, Defendant A. Lopez wrote a
2 check in the amount of \$750 to tax preparer A.R. as payment for false
3 CPA letters.

4 All in violation of Title 18, United States Code, Section 371.

5 FORFEITURE ALLEGATIONS

6 11. As a result of the commission of the felony offense alleged
7 in Count 1 of this Information, Defendants Alejandro Lopez, Emilio
8 Lopez, Ravinderjit Singh Sekhon, and Linda Velasquez shall forfeit
9 to the United States pursuant to Title 18, United States Code,
10 Section 981 (a)(1)(C) and Title 28, United States Code, Section
11 2461(c), any property, real or personal, which constitutes or is
12 derived from the proceeds traceable to the commission of the
13 conspiracy of which the defendants are convicted, in the sum of
14 \$1,070,000.00 in United States currency, representing the proceeds
15 derived from the conspiracy to commit wire fraud.

16 12. If any of the above-described property, as a result of any
17 act or omission of the Defendants,

18 a. cannot be located upon the exercise of due diligence;
19 b. has been transferred or sold to, or deposited with,
20 a third person;

21 c. has been placed beyond the jurisdiction of the Court;
22 d. has been substantially diminished in value; or
23 e. has been commingled with other property which cannot
24 been subdivided without difficulty;

25 it is the intent of the United States, pursuant to Title 21, United
26 States Code, Section 853(p), made applicable herein by Title 28,
27 United States Code, Section 2461(c), to seek forfeiture of any other
28

1 property of the defendants up to the value of the said property
2 described above as being the subject of forfeiture.

3 DATED:

Oct 18, 2007

4 KAREN P. HEWITT
5 United States Attorney

[Signature]

6 YESMIN E. SAIDE
7 Assistant United States Attorney

[Signature]

8 VALERIE H. CHU
9 Assistant United States Attorney
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